

Canadian Wheat Board Act

into the poker game, one has to buy ten million bushels, which is small, and it requires assets of at least \$50 million to get into the game. When I was the minister, I recommended that these four giant pools should pool their resources and get into this poker game. If you are successful, the amount of money you get per bushel is minimal. The competition at the selling end is very intense.

The fact remains that we do not have any large, successful grain companies owned by Canadians and operated in the interests of Canadian farmers, selling our grain around the world. We have no Canadian company going out and pioneering new markets because of that awful fear of 47 years ago when they went bankrupt because of the selling business. Just like an old lady's fear, they never forget. As the younger people have come up through these farm organizations, they are taught from the minute they step into these pools the horrible lesson which was learned in 1929, 1930, and 1931, that if you get into this grain selling business you can lose everything in a matter of months. Therefore this bill we are talking about is an effort to encourage Canadian companies, whether they are privately owned or co-operatively owned, to get into this business of selling grain, even if it is just one product, rapeseed.

The rapeseed crop, using a round figure of 100 million bushels at a price of \$5, is a \$500 million product which has to be sold. You pay the farmer the initial payment, which has to be borrowed. If the initial payment is \$2, that means \$200 million has to be borrowed if all that grain is pooled. Until that grain is sold to get the \$200 million back, you are in debt on the initial payment, plus the interest which has accumulated during the interim period. I mention all these things because they are common knowledge in western Canada, but they are not common knowledge here in the House.

In this bill the minister has put the Canadian government and the Canadian taxpayer behind these pooling operations to the extent of 90 per cent of the initial payment. That has to be a sound approach. Otherwise I cannot see these Canadian companies going into the selling business. At least now they are protected on initial payment guarantees. On the second stage the risk is still tremendous.

Last night the minister was asked if he thought a large number of people would go into the pooling. He very carefully gave the correct answer, that he thought a large number of people wanted to, but the people who are going to administer and run these companies were the ones who would be reluctant to move in on the basis of the great fear of what happened in the past. Therefore the story I put on record last night and again today should be considered as background against which the House would be well advised to support this legislation.

● (1120)

This legislation tries to meet the political feelings of Western Canada among those who want an average price. It tries to help out that group by putting government support behind the initial payment, by incorporating the discipline of the contract and the permit book as an encouragement to voluntary pools to

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

get started and embark on the dangerous business of selling grain. I myself have a feeling that when they do get started they will make a success of it and wish to expand. I hope they will make a start upon the basis of this new incentive and go out selling Canadian wheat, barley, grain, and soybeans. If these companies pick up their courage and attack the market it may turn out to be a very successful operation.

I want to conclude by making a few comments on the speech of the hon. member for Regina-Lake Centre (Mr. Benjamin).

Mr. Baker (Grenville-Carleton): Is it worth it?

Mr. Hamilton (Qu'Appelle-Moose Mountain): I think it is. The hon. member for Regina-Lake Centre seemed to be speaking very hysterically, but really he was expressing, in his own way, the deep fear which clutches at the hearts of so many westerners, particularly in the City of Regina, who are frightened to go out and compete, who do not want any risks to be taken by these companies, and who want a single board by compulsion, with the taxpayers supporting all the risk. That, to my mind, was the essence of his remarks. Really, he was expressing a socialist background.

Basically, what was getting to him, what was making him so irrational last night, was that he knew his friends in high places in these grain companies are terrified to go out and compete with each other in world markets. I know he made personal references to me, the worst thing he could say about me in western Canada was that I was supporting the minister in charge of the Wheat Board. A terrible thing! He knows that the worst thing an hon. member can say about another hon. member in western Canada is that he is a friend of the minister in charge of the Wheat Board. The fact is that as an opposition we recognize good legislation, legislation which is necessary not only for the immediate satisfaction of the desires of both those who want pooling and those who want cash, and it gives us an opportunity to get a Canadian company selling. Hopefully this endeavour will benefit the handling of major products, including wheat and corn. In these circumstances I take the risk of associating myself with the minister, because this is good legislation and, dash it all, if I am afraid of taking a risk by supporting good legislation, I am not serving the people as I should.

I do not know whether the legislation will work, nor does the minister or anyone else. But I think the minister has given it a good college try and made the machinery available. The challenge is now before the companies which handle rapeseed, to go out and sell. This is the only way they can hold their customers. If they go out and sell, and do their duty under the private enterprise system, they may very well be rewarded by a good return for their efforts. Above all, they will be helping not only the people of Canada but a world which needs our products.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I too want to say a few words on third reading of the bill before us today. The hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) mentioned the importance of grain and oil